

GME Pty Ltd

Modern Slavery Statement

Financial Year 1 July 2022 to 30 June 2023

Introduction (criterion 1)

This Modern Slavery Statement (**Statement**) is made by reporting entity GME Pty Ltd (ACN 000 346 814) (**GME**) and its controlled entity, GME Communications (NZ) Limited (AZBN 415879) (**GME NZ**).

This Statement is GME's third statement made in accordance with the Modern Slavery Act 2018 (Cth). It covers the period from 1 July 2022 to 30 June 2023 (**FY23**).

GME is committed to acting ethically and with integrity in all its business dealings, including within its operations and supply chains. GME and GME NZ use the same key policies, procedures and governance processes as their ultimate parent company, Standard Communications Holdings Pty Ltd. The GME group of companies has adopted a group wide approach to modern slavery.

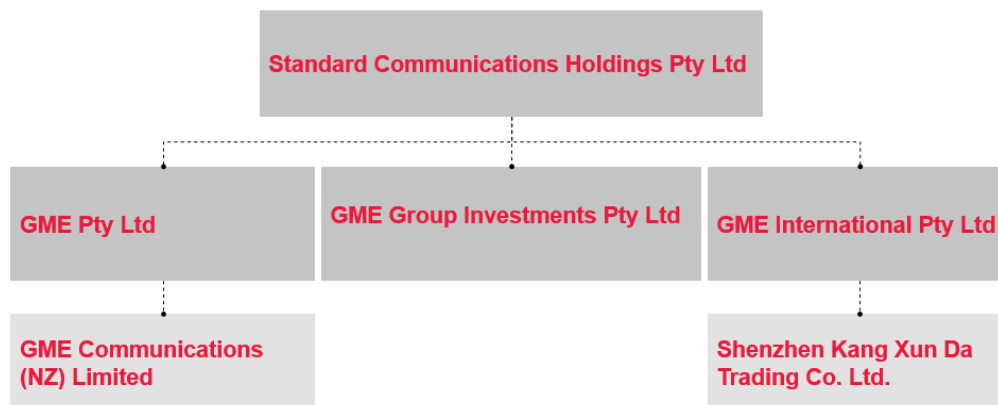
This Statement outlines the steps GME, as part of the GME group of companies, has taken to assess, address, manage and mitigate modern slavery risks in our operations and supply chains. It also demonstrates how we plan to continue to improve our frameworks and processes in the future.

Structure, operations, and supply chain (criterion 2)

Structure

GME is an Australian incorporated company. It is a subsidiary of parent company, Standard Communications Holdings Pty Ltd ACN 640 855 545 (**SC Holdings**). GME NZ is a wholly owned, New Zealand incorporated subsidiary of GME.

The GME group structure includes other subsidiaries of SC Holdings including GME Group Investments Pty Ltd and GME International Pty Ltd (**GME Group**). GME is the group's Australian operations arm. A summary of GME group's structure is as follows:



The SC Holdings Board is responsible for the overall governance and operations of the GME Group. This includes guiding strategic direction, monitoring risk and overseeing general management activities.

Operations

GME Group is one of Australia's largest manufacturers and wholesale distributors of quality radio communications products.

GME and GME NZ operates as a radio communications equipment manufacturer and distributor across Australia and New Zealand. GME provides a range of products and services under the 'GME' and 'Kingray' brands for marine and land purposes including entertainment systems, emergency beacons, and fixed mount and handheld radios.

GME Group prides itself on engineering and manufacturing high quality, market-leading products to suit the specific requirements of our customers. It is the only Australian manufacturer of UHF CB radios and emergency beacon products. GME has an ongoing focus on innovation and technology leadership. The group has a network of authorised dealers and service agents around the globe.

Since its inception in 1959, the GME Group has grown to a team of over 200 people and operates in Australia, New Zealand, and China.

Supply chain

We work with more than 100 direct suppliers. Our suppliers are predominately in China, but also in Taiwan, Japan, Australia, and New Zealand.

These suppliers provide finished goods and component parts for products that are then manufactured at our head office in Winston Hills, NSW, or manufactured under contract in Shenzhen, China. Over 80% of our annual revenue is generated by GME's Australian made products. The employees in our Winston Hills facility are predominantly employed directly by GME. To manage peak demand periods, we utilise casual workers in our production and warehouse operations. These workers are sourced through reputable local agencies. A team of 15 employees, directly employed by GME, oversees production in our contract manufacturer's Shenzhen facility. The local GME team also manages local supplier engagements in China, giving GME more control over the China supply chain. We also employ a Supplier Quality Manager, who is based in Shenzhen, and reports directly to the General Manager Supply Chain, based in Winston Hills.

Our direct supply chain comprises mainly of original equipment manufacturers (**OEMs**), resellers and distributors. Most relationships are long term and have been in place for several years. Our suppliers are based predominantly in China, Taiwan, Japan, Australia, and New Zealand.

Identifying potential risks (*critierion 3*)

As a radio communications equipment provider distributor, GME recognises that the industry in which it operates has the potential to be a moderate risk area for modern slavery.

In our supply chains, both globally and in Australia, the risks of modern slavery are predominantly associated with our manufacturing suppliers who operate in China. We believe the highest risk is in the manufacturing of specialised mechanical components, which are predominantly manufactured by small, independent producers in China. Workers in these regions may be susceptible to labour exploitation, including long hours, poor working conditions, and limited workplace safety processes. This risk could then also extend to our suppliers' own supply chains (e.g., where they source their parts or components), where there may be a strong focus on minimising production costs and poor labour practices.

GME requires that all new and existing China-based suppliers gain and maintain 'Approved Supplier' status by submitting to a routine audit process of all manufacturing facilities where GME's products are produced. The audit addresses several key commercial and quality criteria, as well as 'responsible sourcing' criteria. This audit includes questions around modern slavery processes, ensuring compliance with the United Nations International Labour Organisation Conventions (e.g., prohibiting child labour, and ensuring minimum wages).

GME acknowledges that, despite this process, it may lack visibility in certain overseas markets, and this carries additional risks of modern slavery especially in secondary levels of our chain of suppliers and source materials used in our group's goods and services.

Within GME and GME Group's Australian operations, the risk of modern slavery is limited to its employees. GME's Winston Hills manufacturing plant is located at the same premises as our head office. GME directly employs its employees, or employs casual workers through reputable local agencies, and in all cases complies with the relevant industrial relations laws and workplace laws in the jurisdictions in which we operate. On this basis, we consider the risk of modern slavery in our operations to be low. However, GME recognises that there are potential risks of modern slavery within other areas of our extended supply chain, particularly in higher risk categories relating to labour supply, cleaning, and waste management services.

Identifying and addressing these potential risk scenarios remains one of our continuous improvement activities and remains a priority of our supplier engagement activities over the current reporting year.

Assessing and addressing risks (criterion 4)

Policies and procedures

GME Group's approach to modern slavery is a groupwide effort. GME Group has formal policies and procedures in place to promote ethical, open, and transparent business conduct for our employees and suppliers. These policies and procedures apply to GME. GME Group's policies contribute to our commitment to prevent violations of human rights, including modern slavery. These policies include our Whistle-blower Policy and Code of Conduct. These policies govern the expectations all GME group companies have for their employees and suppliers regarding lawful and ethical conduct.

GME Group will continue to review and update its policies to ensure that they include processes to also help address the risk of modern slavery in our operations and supply chains. In 2023, we continued to train key personnel in the identification of risk throughout the 'procurement lifecycle' from new supplier engagements through to routine management.

Supplier contracts and auditing

GME's supply agreements include an anti-slavery compliance clause. During our first reporting period, we undertook a review of this clause to ensure our expectations for suppliers regarding modern slavery risks were clear. The updated clause has a greater emphasis on the identification and management of modern slavery risks for suppliers.

As part of GME's 'Approved Supplier' audit, we require all China manufacturing facilities where GME's products are produced to provide details of their current modern slavery processes and procedures. This audit process applies to both existing and new suppliers. The purpose of this routine audit, and GME's 'Approved Supplier Scheme', is to ensure that GME continues to work only with supply partners that are committed to supporting our strategic objectives of consistent product quality and ethical conduct – including with respect to anti-modern slavery practices.

GME has not yet had a supplier fail an audit because of not meeting the Modern Slavery criteria. If a supplier were to fail an audit, GME would ensure remedial action is put in place, and the supplier would be given an opportunity to rectify the issue. If this were not achieved GME would cease working with the supplier.

In 2022, GME began a routine supply chain mapping process to identify potential high-risk suppliers, and subsequent opportunities to consolidate our business with our trusted 'Preferred Suppliers' where possible. Since 2022, we have significantly reduced our active supplier list, and in doing so, enhanced our ability to effectively manage and engage with our supply base.

Communication to suppliers

Our focus has been on gaining a better understanding of modern slavery risks and how those risks may be present in our operations and supply chains. We routinely send correspondence to our tier 1 suppliers. This correspondence:

- strongly encourages all our suppliers to have modern slavery controls in place (e.g., supply chain mapping, due diligence exercises, policies, procedures and training regarding modern slavery risks and identification.)
- requests suppliers to provide details of any actual or suspected occurrence or incident of modern slavery in any of our suppliers' supply chains which has a connection with GME.

We will continue to engage with our suppliers to better understand their modern slavery risks throughout the year ahead. The engagement and feedback GME receive as part of this process will inform and help to develop our ongoing strategy for our modern slavery compliance framework, and to declare further continuous improvements going forward.

Measuring effectiveness of actions taken (criterion 5)

The GME Group (including GME) is continuing to monitor and develop its internal processes to ensure it can track the effectiveness of the actions it is taking to identify and address modern slavery risks in its operations and supply chains. This included developing a quarterly review process which is now in place.

We will also continue to engage with our suppliers and review their modern slavery practices. GME and GME Group will continue to implement further mechanisms to assess the effectiveness of their actions, to ensure a continual improvement approach is achieved.

Consultation with controlled entities (criterion 6)

GME's key policies, procedures and processes apply to all companies within the GME Group, including GME NZ. All risk assessment, due diligence and remediation measures described in this statement have equal application across the group's subsidiaries. As such, this statement applies to all of SC Holdings' subsidiaries. GME NZ (a controlled entity of GME) was consulted in the development of this statement.

This statement has been approved by the Board of Directors of Standard Communications Holdings Pty Ltd, the parent of GME Pty Ltd, and is signed on behalf of the Board of Directors by Steven Miller, Chairman of the Board of Directors of Standard Communications Holdings Pty Ltd.



STEVEN MILLER
Chairman

Dated: 13 March 2024